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COMMERCE

COMMERCE



CITY & COUNTY OF SAN FRANCISCO

INDUSTRY

THE COMPREHENSIVE PLAN

INDUSTRY

THE MASTER PLAN

It shall be the function and duty of the commission to adopt and maintain, including necessary changes therein, a comprehensive, long-term, general plan for the improvement and future development of the city and county, to be known as the master plan. The master plan shall include maps, plans, charts, exhibits, and descriptive, interpretive, and analytical matter, based on physical, social, economic, and financial data, which together present a broad and general guide and pattern constituting the recommendations of the commission for the coordinated and harmonious development, in accordance with present and future needs, of the city and county and of any land outside the boundaries thereof which in the opinion of the commission bears a relation thereto.

Excerpt, Charter of the City and County of San Francisco.

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THE COMPREHENSIVE PLAN



City and County of San Francisco · Department of City Planning

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SUMMARY of OBJECTIVES and POLICIES

Policy 3

Maintain a favorable social and cultural climate in the city in order to enhance its attractiveness as a firm location.

Policy 4

When displacement does occur, attempt to relocate desired firms within the City.

Policy 5

Avoid encroachment of incompatible land uses on viable industrial activity.

EMPLOYMENT

OBJECTIVE 3

PROVIDE EXPANDED EMPLOYMENT OPPORTUNITIES FOR CITY RESIDENTS, PARTICULARLY THE UNEMPLOYED AND ECONOMICALLY DISADVANTAGED.

Policy 1

Promote the attraction, retention and expansion of commercial and industrial firms which provide employment improvement opportunities for unskilled and semi-skilled workers.

Policy 2

Promote measures designed to increase the number of San Francisco jobs held by San Francisco residents.

Policy 3

Emphasize job training and retraining programs that will impart skills necessary for participation in the San Francisco labor market.

Policy 4

Assist newly emerging economic activities.

INDUSTRY

OBJECTIVE 4

IMPROVE THE VIABILITY OF EXISTING INDUSTRY IN THE CITY AND THE ATTRACTIVENESS OF THE CITY AS A LOCATION FOR NEW INDUSTRY.

Policy 1

Maintain and enhance a favorable business climate in the City.

Policy 2

Promote and attract those economic activities with potential benefit to the City.

Policy 3

Avoid public actions that displace existing viable industrial firms.

MARITIME

OBJECTIVE 5

REALIZE SAN FRANCISCO'S FULL MARITIME POTENTIAL

Policy 1

Develop and implement a comprehensive long-range maritime development program for the Port.

Policy 2

Focus investment on those port features in which San Francisco has a natural advantage. Create competitive advantages by providing more cost efficient freight handling facilities.

Policy 3

Aggressively market existing maritime facilities.

Policy 4

Avoid actions which may serve to displace desired existing maritime uses.

Policy 5

Assure adequate funding for capital investments as well as operational expenses of the Port.

Policy 6

Foster the relation of maritime activity to other segments of San Francisco's economy.

Policy 7

Restore the fishing industry in San Francisco.

Policy 8

Encourage maritime activity which complements visitor activity and resident recreation.

Policy 9

Reestablish Hunter's Point Naval Shipyard as a major source of maritime employment and activity.

Policy 10

Increase cooperation among Bay ports.

CITYWIDE OBJECTIVES

OBJECTIVE 1

MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.

Policy 1

Encourage development which provides substantial net benefits and minimizes undesirable consequences. Discourage development which has substantial undesirable consequences that cannot be mitigated.

Policy 2

Assure that all commercial and industrial uses meet minimum reasonable performance standards.

BUSINESS VITALITY

OBJECTIVE 2

MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

Policy 1

Seek to retain existing commercial and industrial activity and to attract new such activity to the city.

Policy 2

Seek revenue measures which will spread the cost burden equitably to all users of City services.

Policy 11

Pursue permitted non-maritime development on Port properties.

DOWNTOWN OFFICE

OBJECTIVE 6

MAINTAIN AND IMPROVE SAN FRANCISCO'S POSITION AS A PRIME LOCATION FOR FINANCIAL, ADMINISTRATIVE, CORPORATE, AND PROFESSIONAL ACTIVITY.

Policy 1

Encourage continued growth of prime downtown office activities so long as undesirable consequences of such growth can be avoided.

Policy 2

Guide location of office development to maintain a compact downtown core so as to minimize displacement of other viable uses.

Policy 3

Assure that downtown development is compatible with the design and character of San Francisco.

Policy 4

Provide adequate amenities for those who live, work and use downtown.

Policy 5

Control traffic and congestion in the downtown area, particularly from private automobiles.

DOWNTOWN RETAIL

OBJECTIVE 7

IMPROVE DOWNTOWN SAN FRANCISCO'S POSITION AS A PRIME REGIONAL LOCATION FOR SPECIALIZED RETAIL TRADE.

Policy 1

Assure a strong interrelationship occurs between downtown specialty shopping, cultural entertainment, and visitor accommodation activities.

Policy 2

Support the continued strength of high quality, specialty retail shopping facilities in the retail core.

Policy 3

Encourage shopper accessibility to the downtown area and physical design amenities at a pedestrian scale which will enhance the pedestrian climate.

NEIGHBORHOOD COMMERCIAL

OBJECTIVE 8

MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL DISTRICTS READILY ACCESSIBLE TO CITY RESIDENTS.

Policy 1

Promote the multiple use of neighborhood commercial areas with priority given to neighborhood-serving retail and service activity.

Policy 2

Promote neighborhood commercial revitalization.

Policy 3

Protect environmental quality in neighborhood commercial areas.

Policy 4

Maintain a presumption against the establishment of major new commercial development except in conjunction with adequately supportive residential development and public/private transportation capacity.

Policy 5

Encourage Community-based economic development.

Policy 6

Assist in the provision of available land for site expansion.

Policy 7

Improve public and private transportation to and from industrial areas.

Policy 8

Provide for the adequate security of employees and property.

Policy 9

Maintain a competitive tax structure for industrial uses.

Policy 10

Enhance the working environment within industrial areas.

Policy 11

Maintain an adequate supply of space appropriate to the needs of incubator industries.

GOVERNMENT, HEALTH AND EDUCATION SERVICE

OBJECTIVE 9

ENHANCE SAN FRANCISCO'S POSITION AS A NATIONAL AND REGIONAL CENTER FOR GOVERNMENTAL, HEALTH, AND EDUCATIONAL SERVICES.

Policy 1

Promote San Francisco, particularly the Civic Center, as a location for local, regional, state and federal governmental functions.

Policy 2

Encourage the extension of needed health and educational services, but manage expansion to avoid or minimize disruption of adjacent residential areas.

Policy 3

Promote the provision of adequate health and educational services to all geographical districts and cultural groups in the City.

VISITOR TRADE

OBJECTIVE 10

ENHANCE SAN FRANCISCO'S POSITION AS A NATIONAL CENTER FOR CONVENTIONS AND VISITOR TRADE.

Policy 1

Guide the location of additional tourist related activities to minimize their adverse impacts on existing residential, commercial, and industrial activities.

Policy 2

Support locally initiated efforts to improve the visitor trade appeal of neighborhood commercial districts.

Policy 3

Assure that areas of particular visitor attraction are provided with adequate public services for both residents and visitors.

Introduction

The Commerce and Industry Element sets forth objectives and policies that address the broad range of economic activities, facilities and support systems that constitute San Francisco's employment and service base. The plan serves as a comprehensive guide for both the public and private sectors when making decisions related to economic growth and change.

The plan is framed within three overriding goals which call for continued economic vitality, social equity and environmental quality. These broad goals are interrelated, and economic development decisions must be examined within their context. The challenge posed is to guide and encourage economic development in a manner that is responsive to near term needs, while also being consistent with long range goals and values.

The plan focuses on ten objectives, three of which address the general issue of economic planning. The remaining seven objectives deal with specific sectors of San Francisco's economy.

In summary, the three general objectives call for managing economic growth and change to ensure enhancement of the total city environment, maintaining a sound and diverse economic base and fiscal structure, and providing expanded employment opportunities for city residents, particularly those that are unemployed.

The specific objectives are responsive to the several major economic sectors within San Francisco which include manufacturing and industry, maritime activities, office/administrative services, neighborhood commercial retailing, specialized regional retail trade, government services, and visitor trade.

The objectives and supportive policies are general in nature and provide the framework for decision making, priority setting and evaluation of costs and benefits as they relate to alternative proposals for economic development and change.

Likewise, the Commerce and Industry Element sets the framework for the more detailed planning that is required to meet the needs of specific economic activities, and to reconcile conflicts and competition among the various economic sectors, and other land uses and activities.

The Commerce and Industry Element, along with the other Comprehensive Plan Elements, is used in forming shorter range plans, special area plans and to guide public actions by various government agencies. The objectives and policies are referred to when reviewing zoning and land use changes, legislative referrals, development proposals, and the City's programs for economic development, change and adjustment, serving as a basis for guiding public and private decisions.

Goals

The objectives and policies are based on the premise that economic development activities in San Francisco must be designed to achieve three overall goals:

1. Economic Vitality

The first goal is to maintain and expand a healthy, vital and diverse economy which will provide jobs essential to personal well-being and revenues to pay for the services essential to the quality of life in the city.

2. Social Equity

The second goal is to assure that all segments of the San Francisco labor force benefit from economic growth. This will require that particular attention be given to reducing the level of unemployment, particularly among the chronically unemployed and those excluded from full participation by race, language or lack of formal occupational training.

3. Environmental Quality

The third goal is to maintain and enhance the environment. San Francisco's unique and attractive environment is one of the principal reasons San Francisco is a desirable place for residents to live, businesses to locate, and tourists to visit. The pursuit of employment opportunities and economic expansion must not be at the expense of the environment appreciated by all.

These goals are interrelated and provide a perspective for evaluating future development issues in the city. All projects should be evaluated against all three goals in determining costs and benefits to the city's present and future population. The objectives and policies that follow seek to set a course for the city by which all three goals can be attained.



CITYWIDE OBJECTIVES

Both points of view in the growth-no growth controversy contain valid elements, and the city would not benefit from total adherence to either position. The growth issue should not be seen as a matter of either/or, but rather a matter of managing future development so as to minimize or avoid its unacceptable consequences and maximize its beneficial aspects. While the attempt to manage and channel socially desirable growth for the betterment of the city is a more reasoned approach; it is also a considerably more challenging approach due to the need to weigh intangible costs and benefits, and the difficulty of developing, evaluating, comparing and enforcing measures to mitigate potentially harmful consequences. However, it is important to the well-being of the city that this process be undertaken.

OBJECTIVE 1

MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.

Nationwide, and particularly in San Francisco, there has been much attention focused on the issue of growth. An increasing public skepticism concerning the benefits of "growth" and greater awareness of the environmental and ecological consequences of continued growth and the loss of urban amenity, have served to put issues of economic development and related "growth" into the public spotlight. Examples of a local perception of the "growth-no growth" controversy have occurred over whether or not further high-rise office development should be encouraged. Some are opposed to high-rise office development because of the consequences of large office buildings such as loss of views, congestion, imposition of closed, forbidding buildings during non-work hours, further changes from the city's traditional scale and character. Others favor such development because of the employment opportunities it provides. Opponents argue that the costs of high-rise office development exceed benefits.

POLICY 1

ENCOURAGE DEVELOPMENT WHICH PROVIDES SUBSTANTIAL NET BENEFITS AND MINIMIZES UNDESIRABLE CONSEQUENCES. DISCOURAGE DEVELOPMENT WHICH HAS SUBSTANTIAL UNDESIRABLE CONSEQUENCES THAT CANNOT BE MITIGATED.

In situations where proposed developments have no significant adverse environmental effects and will result in positive fiscal and employment benefits for residents, and where the developments otherwise meet planning objectives, they should be encouraged. Conversely, a potential development which has significant adverse environmental effects and has negligible or negative economic and/or social benefits should be discouraged. In instances where proposed developments would cause adverse environmental effects but would also contain substantial economic and/or social benefits to residents it will be necessary to define carefully and analyze carefully all anticipated economic and social costs and benefits in order to provide decision makers with all available information and facts at hand concerning anticipated effects of the proposed development. Appropriate mitigation measures should be considered as part of the costs of development.

In recent years, Federal and State legislation has established administrative procedures whereby environmental impacts of proposed developments, often previously ignored, are to be carefully evaluated before approval of a development. The economic and social benefits of such developments are often presumed, and they sometimes are still unstated and unanalyzed.

Some of the implications that should be considered are changes in employment patterns and resultant impacts on the city's labor market; impacts upon existing businesses and on future development opportunities in the immediate neighborhood and district of the city; impacts upon existing City services that may require improvements, capital investments or new public employment as a result of the development; and any anticipated impacts upon the location and viability of economic development decisions being made in other areas of the city. The process for compiling and assessing these and other economic and social impacts should be initiated and in appropriate cases become a parallel effort to existing environmental impact assessment procedures.



POLICY 2

ASSURE THAT ALL COMMERCIAL AND INDUSTRIAL USES MEET MINIMUM, REASONABLE PERFORMANCE STANDARDS.

A critical aspect of development management is to mitigate negative impacts created by new development: economic, aesthetic, physical, environmental, and social.

To ensure that commercial and industrial activities do not detract from the environment in which they locate, and may in fact benefit their surroundings, performance standards should be applied in evaluating new developments. The policies of the Master Plan provide many of the standards to be used in evaluating development proposals. Other standards are found in various city ordinances and State and Federal laws. As necessary these standards should be reformed and additional standards developed.

POLICY 1

SEEK TO RETAIN EXISTING COMMERCIAL AND INDUSTRIAL ACTIVITY AND TO ATTRACT NEW SUCH ACTIVITY TO THE CITY.

Many of the decisions made by a business concerning its future location are determined principally by factors related to market conditions affecting the cost of doing business. Factors, such as the purchase, transportation and storage of raw materials, labor costs changes in the nature or location of the consumers of the service or product, and obsolescence of capital equipment, are critical in determining whether a firm will move or not. There is little a city can do to alter these economic conditions in order to attract or retain a business. However, there are some factors that a city can affect in order to improve the possibility that a firm will decide to locate or remain in the city. The first step is to assess the needs of the business for such things as better transportation access, parking, room for expansion, security and a pleasant neighborhood environment for employees to work in.

In promoting the city as an area for potential firm location, it is important to be aware of those special aspects of location, environment, population and economic and social history that differentiate the city from other locations and make it a favored place for particular types of firms. In most instances these factors will be well known to a firm, and the City's receptiveness and "business climate" may be decisive in a determination to locate in San Francisco or a neighboring jurisdiction. The City should improve its chances for attracting firms by directing efforts toward business activities needing central city locations for office support, those benefiting from close proximity to a large, concentrated consumer population, and sectors for which San Francisco is already well known such as the design and apparel industries.

OBJECTIVE 2

MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

The continued health of the commercial and industrial sectors of the city is important to residents beyond the aspect of employment. A strong and viable business sector generates development of a broader property tax base. San Francisco must annually budget and expend money for the maintenance and upgrading of its public improvements -- roads, sewers, transit system, parks, and other facilities. As these costs escalate along with other social service delivery costs -- schools, hospitals, social welfare, police, fire - it is critically important to diversify and strengthen the tax base that pays for many of these improvements and services. When it becomes necessary to raise property taxes to pay these costs, the impact falls heavily on residents and business, contributing to the outmigration of population and industry. Strengthening and broadening the tax base is therefore vital to the continued economic health of the city.

There also is a need to diversify the economic base of the city. Because of regional and national economic forces over which there is little local control, the city's economy is becoming more specialized in the areas of finance, insurance and real estate, tourism, and government and personal services. Some of these sectors are subject to cyclical variations that may contribute to instability of the economy. Furthermore, excessive dependence on these sectors also has implications for personal lifestyles, as more and more residents are dependent on office "paper jobs" for their livelihoods. Therefore, to the extent it is possible to alter the trend of greater single industry specialization and provide more diversity in the types of activities and job opportunities, the City should seek to do so.

POLICY 2

SEEK REVENUE MEASURES WHICH WILL SPREAD THE COST BURDEN EQUITABLY TO ALL USERS OF CITY SERVICES.

A central city such as San Francisco performs functions for and provides services to the region for which it should be fully compensated. Older central cities have historically been the providers of services to both foreign and domestic immigrants to the country's urbanizing areas. Generally these people have come to the cities seeking new sources of employment and opportunity. Often they have not found the advantages they have sought and they have had to rely on the cities for inexpensive housing and for health and welfare benefits. The needs are those of society in general, yet the costs fall disproportionately upon the central cities.

In addition, the facilities and services of the central cities such as San Francisco provide employment, transportation, recreation, and cultural pursuits for populations that do not reside in the city and may not fully contribute to the costs of the public buildings, streets, transit, water and sewer systems and other facilities that they use. Additional revenue sources, such as taxes, user fees, and grants-in-aid should be sought which will more equitably compensate in the City for the functions it performs and the services it provides. Measures such as "employee" or "occupational" taxes may be appropriate. Legislation at the State level pursuing region-wide property tax and sales tax sharing systems should be developed. These systems could, if the formulas are developed correctly, allocate revenues to jurisdictions based on need rather than ability to attract commercial or industrial uses.

POLICY 3

MAINTAIN A FAVORABLE SOCIAL AND CULTURAL CLIMATE IN THE CITY IN ORDER TO ENHANCE ITS ATTRACTIVENESS AS A FIRM LOCATION.

An important factor in choosing to locate in San Francisco or to remain once here is the attractiveness of the city as a place to live, work and pursue recreational interests. Recognition must be given to the importance of public efforts to improve the environmental quality in residential neighborhoods, provide recreational and cultural opportunities, and to improve the quality of the schools, and create and protect other amenities. Those aspects of the city have direct economic value. Desirability as a place to live and as an area in which to enjoy cultural and recreational activities are particularly important factors in determining location for the types of activities for which San Francisco enjoys a comparative advantage. If the city is to maintain its economically vital areas, it must assure that these social, cultural and environmental factors remain strong assets.



OBJECTIVE 3

PROVIDE EXPANDED EMPLOYMENT OPPORTUNITIES FOR CITY RESIDENTS, PARTICULARLY THE UNEMPLOYED AND ECONOMICALLY DISADVANTAGED.

In order to maintain a relatively stable and balanced City economy, new employment opportunities must be made available, offsetting a gradual loss of jobs in certain economic sectors such as manufacturing, wholesaling and food processing.

A major thrust of public efforts to expand employment opportunity should be directed toward the economically disadvantaged, and those under-employed or marginally employed and seeking productive and rewarding employment. San Francisco, like many central cities throughout the nation, has a relatively high percentage of its population unemployed. This problem is attributable to many factors including lack of formal education, inadequate or inappropriate skills for participation in areas of employment expansion, language difficulties, employment and housing discrimination and a sluggish national economy. There are limits upon the ability of a local government to alleviate the general unemployment problem, in view of the profound effects of regional and national private investment factors in the local situation. However, there are some measures the City can take that will improve the employment climate and assist the unemployed and economically disadvantaged in gaining access to San Francisco jobs. The City should also take into account opportunities for employment outside of the city. A more active involvement at the regional level in assisting unemployed residents to locate jobs outside the city might aid in alleviating the disproportionately high rate of unemployment found in the city.

POLICY 1

PROMOTE THE ATTRACTION, RETENTION AND EXPANSION OF COMMERCIAL AND INDUSTRIAL FIRMS WHICH PROVIDE EMPLOYMENT IMPROVEMENT OPPORTUNITIES FOR UNSKILLED AND SEMI-SKILLED WORKERS.

The greatest incidence of unemployment in the city is generally found among those without particular types of employment skills or educational training. The largest number of jobs, and the most desirable employment opportunities, tend to occur in the professional, technical, managerial and clerical fields in which either educational or practical on-the-job training is required to meet employment qualifications. Therefore, many unemployed and marginally employed residents of the city are unable to take advantage of employment expansion in a number of the areas of employment growth in the city due to the lack of needed skills.

Sectors of the local economy which typically hire numbers of unskilled or non-technically trained persons are the tourist and service related industries such as hotels and restaurants. However, these employment sectors tend to be seasonal and low-paying in nature. Many of the economic activities which in the past have provided the largest sources of semi-skilled employment or entry-level jobs have included small-scale manufacturing, wholesaling, food processing, printing and publishing are experiencing employment declines due to relocation, consolidation, and business failure. The City should promote the retention of these activities and the expansion of sectors such as warehousing, apparel manufacturing, services, communications, and commercial printing in order to improve job prospects in these fields.

One employment sector that often serves to be a source of employment opportunity to minorities and low-skilled workers is the small business sector. However, small newly formed businesses suffer from a high percentage of business failures. Expansion of the small business sector while improving its stability would create more employment opportunities immediately accessible to these important groups. A helpful attitude toward local artisans, who contribute to the cultural, as well as the economic life of the city, should be encouraged.

The City should also assist in promoting employment opportunities that provide employment stability, decent wages, and opportunities for advancement. Many of the city's underemployed work under conditions of high turnover, lack job security, low pay, and remote possibilities for advancement. Such jobs are found principally in visitor-trade-related occupations, personal services, institutions, and temporary government employment programs. Although these employment areas offer initial job opportunities for many low-skilled individuals, measures need to be taken to build in greater stability and opportunities for career advancement. Care should be taken to assure that such jobs do not become "dead ends," i.e. jobs which provide no opportunities for advancement.

POLICY 2

PROMOTE MEASURES DESIGNED TO INCREASE THE NUMBER OF SAN FRANCISCO JOBS HELD BY SAN FRANCISCO RESIDENTS.

Approximately two of every five jobs generated by San Francisco's economy are held by non-residents. The percentage of San Francisco residents as the total employment base varies according to type of industry, occupational group and income level. Persons in the higher-paying occupations, managers, administrators, craftsmen are less likely to live in the city than persons employed in sales, in clerical jobs, or as operatives.

The only exception is in the professions, where there is a relatively high percentage of residents. Better labor mobility must also be coupled with strong efforts to promote the hiring of residents by firms located in San Francisco. In some cases, such as in the letting of City contracts, it may be appropriate to require that hiring preference be given to San Francisco residents.

Efforts made to expand employment opportunities for unemployed and disadvantaged city residents must also address the question of racial, sexual, and other barriers between sectors of the labor market. A vigorous affirmative action program is necessary to permit minorities and women (who typically experience high rates of unemployment and underemployment) access to jobs with adequate compensation and advancement possibilities, particularly in the white-collar sectors where employment is growing most rapidly and possibilities for management and mid-level advancement occur. The City should utilize its good offices to encourage business to participate actively in employing resident minorities and women in jobs that provide training and skill development. The City should also ensure that its departments and contractors practice affirmative action in hiring programs.

POLICY 3

EMPHASIZE JOB TRAINING AND RETRAINING PROGRAMS THAT WILL IMPART SKILLS NECESSARY FOR PARTICIPATION IN THE SAN FRANCISCO LABOR MARKET.

The long-term unemployment impact from the loss of a particular type of business activity depends upon the ability of those unemployed to find jobs in related and closely allied fields. The degree to which unemployed individuals can change occupations -- their labor mobility -- depends on a number of factors such as skill level, income range, availability of jobs in other related areas, knowledge of those opportunities. Retraining and initial job training programs are two important public efforts toward increasing mobility within the unemployed resident labor force. Training directed toward the expanding office and office support occupations, general services, technical sales, clerical -- should continue to be emphasized in both basic educational and occupational programs. The City should assist in providing these programs to those groups most in need of such services: the unemployed with limited work skills, the poor, the underemployed, women, and persons with limited English-speaking ability.

During the past several decades, the finance, administration and service sectors have been growing, and manufacturing, wholesaling and related industrial areas have declined. In response to these changes, the resident labor force is gradually drifting to reflect more closely the skills required in expanding areas of employment opportunity. The degree to which labor-force mobility and change will allow skills and opportunities to mesh will greatly influence the ability of the city to solve its unemployment problems. To accomplish this a greater emphasis needs to be placed upon improving the ability of San Francisco's labor force to change and up-grade occupational skills.

POLICY 4

ASSIST NEWLY EMERGING ECONOMIC ACTIVITIES.

San Francisco attracts skilled people of all types, especially the artistically oriented, including artists, crafts people, dancers, film makers, musicians and theater groups. A growing number of live-work-show artist studios in the city attest to the city's attractiveness to artists. Because a growing number of city residents are deriving all or a portion of their livelihood from craft and other artistic endeavors, the city should recognize this as a form of economic activity and provide assistance to them.

The conceptualization, production and marketing of new products and services, due to changing technology or consumer tastes, is often referred to as an "incubator" industry. These ventures characteristically have a potential but lack sufficient capital, technical expertise, and managerial experience. The city should assist in providing technical assistance to these ventures. Some of these ventures eventually grow to medium and big size businesses yielding substantial economic benefits in terms of jobs and tax revenues to the city. One of the most promising incubator industries is the solar heating industry, due to rising costs of natural gas and heating oil.

INDUSTRY



OBJECTIVE 4

IMPROVE THE VIABILITY OF EXISTING INDUSTRY IN THE CITY AND THE ATTRACTIVENESS OF THE CITY AS A LOCATION FOR NEW INDUSTRY.

The dispersion of manufacturing activities from their initial concentration in San Francisco during the mid 19th Century has been a gradual process. Since the beginning of the century, aside from the stimulation provided by two major world wars, manufacturing has steadily declined in importance as an employer and land user in San Francisco just as it has gained in other parts of the Bay Region. San Francisco is not alone in experiencing a decline in the manufacturing and wholesaling sectors of industrial activity. Central cities, almost without exception, have experienced this trend largely for the same objective reasons that it has occurred in San Francisco - population shifts toward suburban areas, technological developments which demanded land-intensive structures, rising wages, escalating local taxes and costs of doing business in central cities. San Francisco has never been heavily dependent on manufacturing as an employer and tax base provider. This fact has lessened the impacts of fiscal and employment declines.

The employment decline experienced by the manufacturing sector was inevitable to the extent that the factors causing the outmigration were beyond the control of the city. However, the amount of continued decline can be, to some extent, influenced by the city. It is not likely that, given limits on available financial resources for massive redevelopment, the city can significantly overcome the objective factors which have led to the loss of employment. However, cost-effective policies designed to reduce the loss of employment opportunities can and should be pursued which would be directed towards improving the climate for business in the city and providing adequate areas and services to encourage firms to remain in the city.

Furthermore, despite the decline of manufacturing generally, there are activities mentioned below, for which the central city remains an attractive location. Growth in these areas should be encouraged.

POLICY 1

MAINTAIN AND ENHANCE A FAVORABLE BUSINESS CLIMATE IN THE CITY.

The creation and maintenance of a positive relationship between city government and private industry is an important factor for many industries in choosing to stay or relocate. A good business climate includes the feeling on the part of business that they have a "receptive ear" when they approach City government with a problem or request for assistance. One effective way of maintaining a positive business climate would be to improve the capability of City departments to intervene in situations of potential relocation and to coordinate City activities to respond to business needs. Intervention to assist businesses in staying in the City should only be done where the costs of doing so do not exceed the benefits to the city.



POLICY 2

PROMOTE AND ATTRACT THOSE ECONOMIC ACTIVITIES WITH POTENTIAL BENEFIT TO THE CITY.

Along with efforts to retain businesses, the City must attempt to attract new businesses to the city. It is generally likely that the City would have to undertake very costly measures such as major redevelopment combined with tax exemptions and subsidies in order to attract businesses for which a San Francisco location does not offer a comparative advantage. However, there are a number of economic activities for which the City does have a comparative advantage. Examples include the manufacturing of apparel and other textile products, small scale furniture manufacturers, commercial printing, communications companies, and business, medical and educational services. By concentrating attraction efforts on such enterprises the expenditure of the City's limited resources can be much more cost effective.

POLICY 3

AVOID PUBLIC ACTIONS THAT DISPLACE EXISTING VIABLE INDUSTRIAL FIRMS.

In some instances, public activities such as redevelopment efforts or public facility expansion or improvement can result in a physical displacement of a business. All too often when this occurs relocation is to a site outside the city. The City should recognize that many firms remain in the city primarily because of inertia, fixed investments in plant and equipment or excessive moving costs. These factors are overcome when public displacement occurs since moving costs and fair market value for land and facilities are paid by the City. Care should be taken to avoid unnecessary displacement. In determining the costs and benefits of the action causing displacement, the loss of taxes and jobs if the firm relocates outside the City should be looked at as costs.

POLICY 4

WHEN DISPLACEMENT DOES OCCUR, ATTEMPT TO RELOCATE DESIRED FIRMS WITHIN THE CITY.

When dislocation is unavoidable, the City should seek to assist the displaced firm in obtaining a suitable alternative site in the city. This is particularly true if the situation is one in which the employment and tax revenues to the City outweigh costs to the City; it may well be appropriate to use public funds and redevelopment power to create a relocation site within the city for displaced firms.

POLICY 5

AVOID ENCROACHMENT OF INCOMPATIBLE LAND USES ON VIABLE INDUSTRIAL ACTIVITY.

There are a small number of locations in the city which are a mixture of residential, commercial and industrial uses which were developed prior to modern zoning controls with separate uses. The South of Market area is a prime example. Such areas are resources of needed low cost housing and should be preserved and improved where feasible. Care must be taken, however, to assure that residential expansion is carried out in a way that will not cause eventual large scale displacement of the existing viable businesses.

Another potential problem results from the proximity of the growing office core to smaller scale business and industries in the South of Market area. Growth of the downtown office core should be carefully guided to avoid unnecessary dislocation.



POLICY 6

ASSIST IN THE PROVISION OF AVAILABLE LAND FOR SITE EXPANSION.

Although San Francisco has a considerable amount of underutilized land available for industrial development, land is not always available in locations where new development is desired or feasible. A major problem facing many San Francisco industries is the lack of room for expansion. The cost of acquiring adjacent property, if it is developed, may be prohibitive to the firm. The initiation of small scale redevelopment activities to eliminate obsolescent and vacant buildings would allow land to become available for new development. Such actions might well prove financially beneficial to the city if vacant parcels and buildings could be utilized to generate increased tax revenues. Formation of a land bank by selected parcels of land received by the City could aid industries beneficial to the city by providing a relocation resource.



POLICY 7

IMPROVE PUBLIC AND PRIVATE TRANSPORTATION TO AND FROM INDUSTRIAL AREAS.

The accessibility to a suitable labor force is a critical factor in determining industrial site location. The lack of adequate public transportation services to the industrial areas of the City dictate that blue-collar workers provide their own transportation. Consequently, the availability of parking spaces is a problem within many of the city's industrial areas, particularly in the South of Market area.

Many industrial areas are inadequately served by public transportation routes which also serve residential areas of the city. Therefore, the transit time from residential areas to the industrial activities is prohibitive. Improved transit service would make these residential areas more accessible to commuting workers and would also reduce the parking problems currently encountered in commercial and industrial areas.

In addition, some underdeveloped industrial areas are relatively isolated in terms of being able to move goods and services to and from them efficiently. Their development potential would be enhanced if transportation access from these areas to regional transportation linkages were improved. One of the advantages of the Southern Crossing would have been the improved regional access to the Southeastern section of the city. Other means - without the disadvantages of the Southern Crossing - should be sought.

POLICY 8

PROVIDE FOR THE ADEQUATE SECURITY OF EMPLOYEES AND PROPERTY.

Vandalism, in certain of the city's industrial areas, causes large losses for firms and threatens employee security. In some instances, firms in areas where fear of crime is a particular problem have difficulties attracting a qualified work force. Concern about security of employers and employees can affect plans for expansion and may cause relocation. It also affects employee turnover. Measures such as increased police presence and surveillance of industrial areas and improved lighting are important in providing a sense of security for employers and employees.

POLICY 9

MAINTAIN A COMPETITIVE TAX STRUCTURE FOR INDUSTRIAL USES.

The local tax structure can influence locational decisions for firms. There may be situations where, when all other things are equal, a more favorable tax situation in a neighboring jurisdiction may induce a firm to relocate.

A delicate balance must be maintained. Commerce and industry should bear its fair share of the costs of city services. However, the tax rate should not be so great compared to other jurisdictions that the activity is induced to leave the city.

POLICY 10

ENHANCE THE WORKING ENVIRONMENT WITHIN INDUSTRIAL AREAS.

Public efforts to enhance the environment of industrial areas with little or no cost to the city should also be pursued. The promotion of a limited number of small retail areas, restaurants, small parks, and pleasant sidewalks would serve to improve the environment of many dreary industrial areas. City actions of this sort can significantly influence the attractiveness and appeal of industrial neighborhoods.

POLICY 11

MAINTAIN AN ADEQUATE SUPPLY OF SPACE APPROPRIATE TO THE NEEDS OF INCUBATOR INDUSTRIES.

Small, emerging industries in the City, many utilizing new technologies, are dependent on relatively inexpensive space accessible to prospective markets. Examples of these "incubator" type industries include electronic data processing firms, business services, apparel manufacturing and design, crafts manufacturing, etc. During the early stages of developments, while markets are being established, fixed costs such as rent and transportation must be kept at minimal levels. Larger, older buildings with storage and loft space are particularly valuable. The South of Market area is currently serving as a functional area containing a supply of such spaces needed by new businesses. The maintenance of a reservoir of such spaces, which can fulfill these needs is needed.

MARITIME

OBJECTIVE 5

REALIZE SAN FRANCISCO'S FULL MARITIME POTENTIAL.

San Francisco began and has developed as a maritime City. The city offers great natural advantages as a port. Maritime activity has stimulated the development of San Francisco as a commercial center of the West Coast and has contributed as much to the special flavor of San Francisco.

The city has been a gateway to the West and the world beyond. The advents of rail, highway travel, air transportation and telecommunications have, however, increasingly lessened San Francisco's dependence on water-related activity. Other Bay ports have matured and San Francisco has lost its preeminence as a port city, and much of its waterfront is under-utilized. However, the role of maritime activity in San Francisco's economy remains significant in terms of the jobs it offers to skilled and semi-skilled workers. In addition, most maritime activity offers the additional benefit of being a relatively "clean" industrial activity; many of its potential adverse consequences, such as congestion and noise, can be overcome.

The prospects for strength and considerable growth in world and Bay Area maritime activity are optimistic. Rail rates and shipping times to the East, for example, are the same for all Bay Area Ports. However, San Francisco has not capitalized on this growth potential. A lack of adequate financial and management resources, utilization of developing technologies, necessary land for development and the financial burden of maintaining existing facilities have contributed to this situation.

POLICY 1

DEVELOP AND IMPLEMENT A COMPREHENSIVE LONG-RANGE MARITIME DEVELOPMENT PROGRAM FOR THE PORT.

Cargo traffic through the Bay Area is expected to continue to grow at least through the year 2000. Ports which can offer the fastest movement of goods at the least cost will capture increasingly greater shares of this growth. In recent years port development and expansion has been achieved by the aggressive and foresighted utilization of new technologies and techniques such as containerization, lighter aboard ship, roll on-roll off, mini- and maxi-bridge and automated dry-bulk feeders.

The Port should develop and carry out a comprehensive long-range maritime development program which assesses future cargo market demand, developing technologies which might be employed in San Francisco to meet the demand, and land and capital investment which will be necessary to permit San Francisco to capture a reasonable share of the market.

POLICY 2

FOCUS INVESTMENT ON THOSE PORT FEATURES IN WHICH SAN FRANCISCO HAS A NATURAL ADVANTAGE. CREATE COMPETITIVE ADVANTAGES BY PROVIDING MORE COST EFFICIENT FREIGHT HANDLING FACILITIES.

It is particularly important to focus limited resources on those areas in which San Francisco has a competitive advantage rather than to provide facilities to compete with other Bay ports for the same market. For example, San Francisco has one of the greatest potentials for deep-water port development on the West Coast. It also retains its attractiveness as a break bulk port. On the other hand, it has only a limited ability to compete for the container market: unstable land fill conditions make the cost of preparing suitable back-up space extremely high.

It may be possible in the future to create competitive advantages by anticipating future shipping needs and technologies. Investments will necessarily be selective because funds will be limited. Investment strategy therefore should include an assessment of natural advantages and of the potential for increasing competitive advantages by use of advanced technologies.

POLICY 3

AGGRESSIVELY MARKET EXISTING MARITIME FACILITIES.

Facilities such as the Grain Terminal, the Free Trade Zone and Pier 80 are presently underutilized. New container facilities are not being used to their maximum potential.

While the long term growth and competitive advantage of the Port may be realized through initiation of new capital investments, it is also important to maximize the return on existing maritime facilities. This will require aggressive promotional and marketing techniques.

POLICY 4

AVOID ACTIONS WHICH MAY SERVE TO DISPLACE DESIRED EXISTING MARITIME USES.

Historically, maritime activity in San Francisco was principally located along the Northern Waterfront. Expansion of office uses within the Embarcadero Center, and the development of residential uses in the Golden Gateway Project have resulted in increased pressure on maritime uses in the Northern Waterfront area. This expansion should not be permitted to encroach on designated maritime areas as long as maritime use remains feasible.

Available waterfront land is a limited resource and maritime activity remains vital to the city's economy. It should therefore have priority use of waterfront lands that it may realistically need to survive. Specifically, piers in active maritime use should remain so unless it can be clearly established that the maritime use can be relocated elsewhere on the waterfront and the area put to a more desirable use.



POLICY 5

ASSURE ADEQUATE FUNDING FOR CAPITAL INVESTMENTS AS WELL AS OPERATIONAL EXPENSES OF THE PORT.

All major ports are subsidized in some form. Some receive tax overrides or have independent taxing authority. Others receive oil royalties or airport revenues. Public funds spent to aid and enhance a port's operation can be an excellent investment by providing jobs and direct and indirect revenues.

The Port of San Francisco has financed its operation and development since it came under local control by means of its revenues and a general obligation bond. However, there is increasing likelihood that the Port's costs will soon exceed its revenues.

Both the capital investment necessary to regain competitive advantage and the funds necessary for proper operation of existing facilities must be assured. If sufficient revenues to meet Port needs are not forthcoming, some form of public subsidy should be provided. Although the City took over the Port from the State with the pledge that the Port would not go on the taxrolls, changed circumstances may necessitate and justify a modification of that commitment.



POLICY 6

FOSTER THE RELATION OF MARITIME ACTIVITY TO OTHER SEGMENTS OF SAN FRANCISCO'S ECONOMY.

Many of San Francisco's commercial activities such as financing, warehousing, and import-export activities grew historically as a result of their close relationship to maritime trade. That link between national and international trade and San Francisco's economic health has not diminished to this day, though other modes of transport and communications have supplemented shipping. It is a source of competitive advantage vis-a-vis other Bay Area and western ports and should be exploited.

Those who ship or receive cargo benefit from a port in closer proximity to their home office or ultimate point of delivery where inspections, drayage or deliveries are easier. Many service industries and offices serving maritime trades throughout the Bay Area are located in San Francisco by historical precedent and benefit by a proximity of their customers or clients.

POLICY 7

RESTORE THE FISHING INDUSTRY IN SAN FRANCISCO.

Generations of visitors have been charmed and many tables graced by the San Francisco fishing fleet. The many restaurants and close residential areas created a significant market for their catch. Fishing has benefited San Francisco's economy as employer, retailer and as a part of the large and growing tourist industry.

In recent years, however, the facilities for docking and fish processing have deteriorated and the fleet has diminished. Local unavailability of fish and the high cost of land and facilities in San Francisco have had serious effects on the industry.

Commercial fishing, fish processing and businesses which provide services to the fishing fleet should be encouraged and expanded, particularly in the area of the Hyde Street Pier and Pier 45.

POLICY 8

ENCOURAGE MARITIME ACTIVITY WHICH COMPLEMENTS VISITOR ACTIVITY AND RESIDENT RECREATION.

San Francisco has long been a romantic terminus for passenger ships. These activities have contributed to the positive image of the Port of San Francisco as well as brought visitors to the city. While the airplane has replaced the ship as the primary means of personal transoceanic travel, the declining passenger ship activity has been stabilized by the emergence of cruise ships. For these ships, San Francisco may be an embarkation point or a stop en route. Facilities for passenger ships have, however, deteriorated in recent years. Pier 35, the pier now used, is old and in need of modernization. However, it affords a dramatic entrance or exit from San Francisco, is close to other visitor attractions, and is convenient to hotels and land transportation. These passenger facilities should be maintained and improved.

Boating has become an increasingly popular recreational sport. Additional small boat marinas along the San Francisco Waterfront can provide attractive, low cost assets which bring revenue to the city and should be provided at appropriate locations.

POLICY 9

REESTABLISH HUNTER'S POINT NAVAL SHIPYARD AS A MAJOR SOURCE OF MARITIME EMPLOYMENT AND ACTIVITY.

Until its closure in 1974, the Hunter's Point Naval Shipyard was a major source of maritime employment and activity, both military and civilian. At its peak, the shipyard was one of the largest industrial employers in the city. Efforts to revive use of its facilities should be encouraged. In addition to the important ship repair, ship building, docking and other industrial facilities which remain but are unused, the shipyard presents opportunities for additional industrial and maritime uses. Perhaps its most important asset is its proximity to natural deep water. There is the potential for the development of a deep water port designed to carry high capacity bulk cargoes. West Coast ports, such as Long Beach, Portland and Seattle, are investigating and pursuing their own potential for deep water port development. Vancouver has developed a deep water port. Hunter's Point appears to offer one of the best and least expensive opportunities for such a facility if some of the environmental problems it poses can be solved.

POLICY 10

INCREASE COOPERATION AMONG BAY PORTS.

San Francisco has suffered in the recent competition with Oakland and to lesser extent other Bay Area ports. They have been better able to marshal requisite capital and land to take advantage of new technology. This process of shifting to new facilities occurs in every major world port, but in almost all situations the old and new facilities are controlled by the same agency or jurisdiction. To remain competitive, ports must be prepared to offer a range of services and hope that resources are sufficient to prepare for and take advantage of new technology.

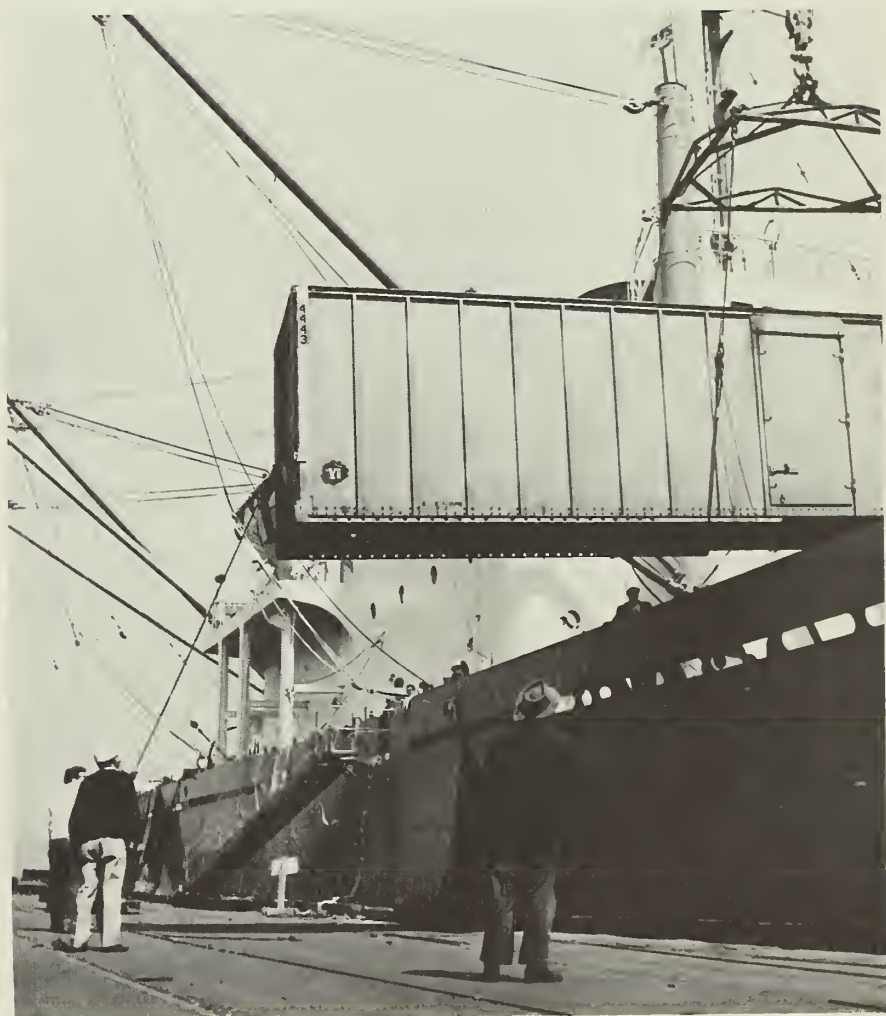
National and international shippers view the Bay Area as a single destination since times and rail links are the same. The economics of Bay Area communities are linked by workers and trade and could benefit by mutual cooperation. Bay Area ports should work to avoid unnecessary duplication of facilities and encourage each port to develop its own particular strengths. It may be that in the long run a single regional port agency will best serve everyone's interest.

POLICY 11

PURSUE PERMITTED NON-MARITIME DEVELOPMENT ON PORT PROPERTIES.

The Port of San Francisco is the owner of more land along the waterfront than is likely to be put into maritime use. Some of these properties, primarily, but not exclusively, the area from North China Basin to Fisherman's Wharf, are suitable and attractive for residential, commercial or recreational uses.

In the past, non-maritime development on port properties, particularly development on piers over the water, has been plagued by community disagreement and by conflicting plans for the various public entities that must approve non-maritime development. The "Plan for the Northeastern Waterfront," which is part of the City's Master Plan, was developed with the participation of diverse interests in the waterfront and it has been endorsed by the Port Commission. It also is consistent with the Bay Conservation and Development Commission's Plan for the San Francisco Waterfront. These plans permit, in various locations, non-maritime development which will not usurp or conflict with maritime development and which will provide substantial revenues to the Port and the City while at the same time contributing to the environmental quality of the area. These opportunities should be vigorously pursued by the Port or some other agency on behalf of the Port to provide needed revenues for development of the Port's maritime facilities.





DOWNTOWN OFFICE

OBJECTIVE 6

MAINTAIN AND IMPROVE SAN FRANCISCO'S POSITION AS A PRIME LOCATION FOR FINANCIAL, ADMINISTRATIVE, CORPORATE, AND PROFESSIONAL ACTIVITY.

The downtown financial district is currently the city's most active employment center. Almost two-thirds of the city's new permanent jobs added in recent years are located there. This growth, primarily in finance, insurance, real estate activities, legal services and business services reflects the city's strong competitive advantage in this sector. The growth of this sector can be expected to continue, although perhaps at a lower rate.

This office sector is a major provider for employment opportunities in the city. Although many of the jobs recently created have gone to non-San Francisco residents, the number of jobs available to residents is still considerable and significant and can be increased by pursuing policies under Objective 2. It is important, therefore, that vitality of this large employment sector be maintained.

POLICY 1

ENCOURAGE CONTINUED GROWTH OF PRIME DOWNTOWN OFFICE ACTIVITIES SO LONG AS UNDESIRABLE CONSEQUENCES OF SUCH GROWTH CAN BE AVOIDED.

The rapid growth of office space during the last two decades in San Francisco's downtown has greatly shaped the city both economically and physically. This growth, while certainly supporting the economic vitality of the city, has not been without its environmental and

aesthetic costs. Recognizing that the public costs associated with downtown have been great - considered by some to be excessive - they have to a great extent been for public facilities and improvements which are now in place. Taking these public investments as given additional downtown growth can occur with limited additional direct public costs.

As these public facilities become strained, however, the marginal costs and benefits may well indicate real limits to growth. Furthermore, the social and environmental cost must be weighed against economic benefits. These costs include:

- . Impact of commuter traffic on consumption of land for parking, downtown congestion, air pollution, and energy usage.
- . Impact of street level winds on the pedestrian.
- . Noise from increased traffic.
- . Impact of large office buildings on the scale and character of the city.
- . Impact of increased employment density on existing services and increased pressures on the limited housing supply.

These costs are each addressed in additional policies under this objective.

Assuming these costs are controlled within publically acceptable limits, the city should encourage continued office growth. It should be made clear to existing and future firms wishing to locate downtown that concern over issues of public cost and environmental impact is not merely opposition to further development but a recognition that there are practical limits to that growth which would benefit residents and business alike.

POLICY 2

GUIDE LOCATION OF OFFICE DEVELOPMENT TO MAINTAIN A COMPACT DOWNTOWN CORE SO AS TO MINIMIZE DISPLACEMENT OF OTHER VIABLE USES.

San Francisco has been fortunate to have an extremely well-served, compact downtown office core area which also provides opportunities for growth. The economic scale afforded by the downtown district has played an important role in capturing employment in the finance, insurance, and real estate industries.

The specific site location requirements for this activity are: (1) centrality; (2) accessibility to modes of travel; and (3) agglomeration of a large number of interrelated, functionally supportive establishments; these requirements are met in the downtown office district.

Public benefit resulting from a concentration of uses in the downtown comes not only from the increased viability of the office sector but also from greater ability to service the area with public transit, thus reducing the public and private costs of commuting. Land use controls should continue to encourage growth of professional office space within the downtown office district to insure a compact downtown office area.

The success of the downtown office area depends on a careful interrelationship among functions. Labor-intensive functions such as financial and corporate office uses now occupy the core. More land-extensive activities such as data processing storage and clerical services have utilized peripheral locations generally South of Market. Supporting industrial activities such as wholesalers, printers, and delivery firms are also located outside the core area within the South of Market area. The physical proximity of all these functions should be promoted in order to maintain the cohesiveness and viability of the downtown.

The very strength of the downtown can threaten these economic linkages. Many of the supporting industrial and commercial activities are in areas which will be most likely to see the pressure for greater demand of office space. Public actions should protect this important interrelationship and assistance should be provided when and if businesses are forced to relocate.

There will continue to be a need to protect the residential communities within the Chinatown and North Beach areas from encroachment of office development. There also is pressure for office development to expand southward into the area east and south of Mission Street. Since downtown support activities in this area depend on accessibility of major office users, the proximity of primary office users and support activities is critical. Should additional office development choose to locate within this adjacent support service area (the C-3-S district), it should not displace viable industrial and commercial uses. Vacant parcels or buildings should be utilized for potential new development.



POLICY 3

ASSURE THAT DOWNTOWN DEVELOPMENT IS COMPATIBLE WITH THE DESIGN AND CHARACTER OF SAN FRANCISCO.

There is concern that highrise office construction, the most visible of growth within the downtown professional office sector, threatens the unique appearance and character of San Francisco; that monolithic impersonal buildings do not reflect the human scale of the city and do not respect the hills and characteristic topography of San Francisco.

This phenomenon is commonly referred to as "Manhattanization," a term connoting large scale office developments with shadowed, wind swept streets utilized only by work day populations that do not reside within the city. Neither downtown San Francisco nor many other areas of the city look or feel like San Francisco of pre-World War II years. Yet a strong and unique urban character remains and should be recognized and preserved.

While acknowledging that the technology of current downtown office development allows the construction of buildings many floors higher than those previously constructed, it is still possible to regulate and influence the height, bulk and architectural merit of office development in order to enhance the appearance of such buildings and to regulate site location to minimize view blockage and creation of street level winds - and to take steps to preserve those existing buildings of particular architectural merit.

Guidelines and criteria for the height, bulk and design of downtown buildings should be continually reassessed and strengthened to assure that they are effective and adequate in prompting structures that complement the city's architectural heritage.

POLICY 4

PROVIDE ADEQUATE AMENITIES FOR THOSE WHO LIVE, WORK AND USE DOWNTOWN.

Downtown development must be sensitive to the needs and desires of those who live or visit there, as well as work in the financial and corporate activities. The concept of bonusing, whereby more intense development is permitted in return for the inclusion of a variety of amenities such as open space, pedestrian access and spaces, and activity areas for public use, should be extended to insure the development of amenities for downtown residents as well as for the workday population. Land use controls should assume an adequate supply of convenience shopping and eating facilities.

POLICY 5

CONTROL TRAFFIC AND CONGESTION IN THE DOWNTOWN AREA, PARTICULARLY FROM PRIVATE AUTOMOBILES.

Additional economic growth in the financial district will mean more people, automobiles, and delivery trucks entering an already congested core area of the city. Such a trend could have a major impact on the quality of the living and working environment in the area and, in fact, impede the number of economic benefits derived by San Franciscans from local economic growth.

The adverse effects of downtown commuter traffic should be reduced by taking actions that discourage commuting by private automobile. Policies in the Transportation element relating to downtown should be implemented.



DOWNTOWN RETAIL

POLICY 1

ASSURE A STRONG INTERRELATIONSHIP OCCURS BETWEEN DOWNTOWN SPECIALTY SHOPPING, CULTURAL ENTERTAINMENT, AND VISITOR ACCOMMODATION ACTIVITIES.

OBJECTIVE 7

IMPROVE DOWNTOWN SAN FRANCISCO'S POSITION AS A PRIME REGIONAL LOCATION FOR SPECIALIZED RETAIL TRADE.

San Francisco's downtown retail trade district is today one of the nation's few remaining viable downtown shopping areas found in a central city location. The retail core, generally bounded by Powell, Sutter, Kearny and Market, has retained and enhanced its position as the center for specialized comparison retail shopping within the Bay Area. This continued viability is an exception to the general decline experienced by downtown retail areas in many cities.

San Francisco has been less susceptible to competition from outlying regional shopping centers spawned by a large suburban population growth during the 50's, 60's and continuing today. Factors responsible for this position include a large number of specialized and attractive shops, proximity of a relatively large affluent work day population, high usage by San Francisco residents, accessibility via an extensive regional and city-wide transit system, and the nearby location of large hotels, restaurants and other establishments serving a large visitor population.

This combination of factors must be maintained and improved if San Francisco is to keep its downtown retail center prosperous. Growth that is compatible with existing uses while reinforcing the function of the retail sector should be encouraged. Similarly, the sensitive relationships with other land uses, the accessibility of downtown, the circulation within the area, and awareness of physical design amenities must be observed in promoting those factors responsible for a viable downtown retail sector.

One of the prime reasons for downtown's strength is the interdependence of retailing and other pedestrian oriented downtown activities. The proximity of the financial district, with its large work day population, spacious older and new hotels, and widely recognized restaurants give the downtown area exposure to a large and diverse population. The concentration of a large number of shops, hotels, and services within a short distance of the park at Union Square creates a pleasant pedestrian atmosphere. Circulation is relatively easy and the area is well served by local and regional transit.

It is important that mutually supportive functions be developed in the downtown area. Promoting evening activities is very important to the health of the area. The linkage between functionally supportive land uses such as office development, visitor facilities, housing, and parking should be protected in evaluating new development proposals formulated for the downtown and adjacent districts. These include the South of Market area and Yerba Buena Center, the Embarcadero and Golden Gateway, and areas to the north and west.

POLICY 2

SUPPORT THE CONTINUED STRENGTH OF HIGH QUALITY, SPECIALTY RETAIL SHOPPING FACILITIES IN THE RETAIL CORE.

The downtown retail shopping area has developed into a compact, highly accessible specialty retail center for the Bay Area. The concentration of high quality stores and merchandise allows the retail area to function as a regional, as well as a citywide attraction. The city should promote the further compact development of this area, without endangering the pleasant environmental setting in order to strengthen economically this sensitive specialty retail function.

The amount of retail space allowed in new developments outside the retail core should be controlled to assure that the strength of the core is not depleted by competing retail centers.

POLICY 3

ENCOURAGE SHOPPER ACCESSIBILITY TO THE DOWNTOWN AREA AND PHYSICAL DESIGN AMENITIES AT A PEDESTRIAN SCALE WHICH WILL ENHANCE THE PEDESTRIAN CLIMATE.

The high intensity retail uses found downtown depend on a heavy volume of pedestrian traffic and shopper mobility provided by transit. The downtown area presently enjoys a high degree of accessibility and ease of movement throughout the area. Street frontages at the ground level are almost exclusively devoted to retail and consumer service uses. Downtown retailers should be encouraged to continue to provide attractive show windows, displays and entrances in order to appeal to foot traffic throughout the area. Public improvements should be designed with the pedestrian in mind in order that the downtown area has greater appeal to pedestrians. Attention should be directed to providing a complete range of retail experiences in the downtown area, including appropriately located local artisan displays.



Automobile usage should be discouraged as vehicle congestion inhibits foot traffic within the area. Other physical amenities such as public plazas, lighting, benches, landscaping, and attention to building design are important to the continued appeal to pedestrians within the downtown area.

Policies of the Transportation Element should be pursued to assure continued accessibility of the retail district.

NEIGHBORHOOD COMMERCIAL

POLICY 1

OBJECTIVE 8

PROMOTE THE MULTIPLE USE OF NEIGHBORHOOD COMMERCIAL AREAS WITH PRIORITY GIVEN TO NEIGHBORHOOD-SERVING RETAIL AND SERVICE ACTIVITY.

The primary function of the neighborhood commercial district is to provide a safe, convenient and attractive area with a sufficient number of stores to offer a variety of goods and services to local residents at affordable prices. However, neighborhood commercial districts may also contain shops and restaurants catering to a clientele extending well beyond the immediate neighborhood. In addition, the district may also serve as a focal point for other community activities including recreational, civic, and cultural functions. Many neighborhood commercial districts also contain residential dwelling units, generally in the form of apartments and flats built above commercial spaces.

MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL DISTRICTS READILY ACCESSIBLE TO CITY RESIDENTS.

San Francisco is well known as a city with many distinct and diverse neighborhoods. The livability and character of these neighborhoods are determined by a combination of many factors including the quality of the housing stock, open space, topography, transportation, and delivery of human services. One important determinant of neighborhood livability is the accessibility shopping areas which provide retail, personal, and professional services to local residents.

In addition, neighborhood commercial districts constitute an important part of the city's economic base, contributing to the city's fiscal stability through business taxes, and providing local employment opportunities.

The viability of a neighborhood commercial district depends primarily on its ability to provide required services and maintain customer patronage. The successful district provides a variety of goods and services in an atmosphere of safety, convenience and attractiveness.



POLICY 2

PROMOTE NEIGHBORHOOD COMMERCIAL REVITALIZATION.

The ultimate success of a neighborhood commercial district depends upon factors which are beyond the scope of the public sector. Private sector investment must bear primary responsibility for economic revitalization and the maintenance of neighborhood commercial districts. A viable commercial district can only exist if the goods and services available are appropriate to the population it serves.

However, effective neighborhood commercial revitalization can rarely take place in the absence of a strong city commitment to assist local businesses and to provide the physical improvements and public services necessary to ensure confidence in local investors. The City must provide police and fire protection, adequate maintenance of streets, sidewalks and sanitation services, as well as proper enforcement of zoning, health and building codes to ensure the health and safety of merchants, residents and shoppers. Capital improvements should be made as required, including lighting, street furnishings, public spaces, and mini-parks. Traffic circulation, transit, and parking availability should be managed to allow maximum accessibility to the retail corridor with a minimum of congestion and disruption to the neighborhood.

Commercial districts serve as the primary locations for neighborhood-serving retail and service activity. Because there are alternate locations for the other uses, preference should be given to neighborhood-serving commercial uses in these districts, emphasizing retail and service uses on the ground floor. Special efforts should be directed at protecting the diversity of neighborhood-serving uses from overconcentration of any given use such as financial institutions, bars, or restaurants. However, the importance of employment opportunities, community

activities, and housing availability is such that these other uses, especially residential units, should be encouraged in neighborhood commercial districts when they do not threaten the essential commercial viability of the district by occupying space which would otherwise be devoted to neighborhood serving commercial activity.

Because of this important relationship, efforts to upgrade neighborhood commercial districts should occur in conjunction with efforts to improve the quality of the surrounding community, with respect to physical condition of the housing stock, recreation and open space, and delivery of services.

Almost all successful neighborhood commercial revitalization efforts are initiated by local businessmen with a strong desire and commitment to upgrade their businesses, property and neighborhoods. Because revitalization of an entire commercial district requires diligence and cooperation of all merchants and property owners sustained over a long period of time, a strong merchants' association is essential.

The City should provide businessmen who have exhibited a strong commitment to upgrade their areas with assistance in organizing or strengthening their merchants' association and preparing and carrying out their improvement.

In addition, the City should take an active role in encouraging cooperation and participation in commercial revitalization efforts by State and Federal agencies, private financial institutions, and local landlords, homeowners and residents. Community organizations involved in community development activities and the media should also be encouraged to support and assist in revitalization efforts.



POLICY 3

PROTECT ENVIRONMENTAL QUALITY IN NEIGHBORHOOD COMMERCIAL AREAS.

Most of San Francisco's neighborhood commercial districts were developed concurrently with residential development and both have physical forms which relate to the needs and tastes prevalent during the first half of this century. During this period commercial units were built along streetcar lines and at major street intersections, often with residential flats on the upper floors, thus creating the familiar "linear" or "strip" commercial districts.

The importance of the automobile to the consumer's shopping trip must be recognized, particularly when many or large and bulky items are to be purchased. However, San Francisco's charm stems from its urban, rather than suburban, character. Preservation of traditional pedestrian and transit oriented compact commercial districts should be encouraged by discouraging through traffic and reducing its speed and by protecting the safety of pedestrians through the use of mid-block crosswalks, corner bulbs and encouraging pedestrian amenities such as mini parks and small public open spaces.

Continuous commercial frontage at the street level is especially important in small commercial districts. It helps to prevent the fragmentation and isolation of fringe areas, a phenomenon which tends to reduce pedestrian accessibility and detracts from the physical and aesthetic cohesiveness of the district. For these reasons, the following principles should be used in guiding development in neighborhood commercial districts:

- . Encourage continuous building facades with retail or service activity on the ground floor.
- . Discourage open parking lots, blank building walls, driveways, vacant lots or massive developments of any form.
- . Encourage professional uses to locate above the ground floor, maintaining a balance with existing residential uses.

When a neighborhood shopping district begins to attract citywide or even regional clientele it may experience changes in character of its businesses and increases in traffic and parking congestion to such an extent that the district is no longer a source of neighborhood vitality, but rather a major disruption to neighborhood life. In such cases it may be necessary to impose reasonable limits on the number of establishments that are not primarily neighborhood serving in order to prevent further damage to the residential livability of the neighborhood. In any event, new uses should meet performance standards that will serve to minimize their impact on adjacent residential areas. Particular care should be taken with respect to the appearance of uses such as adult movies and bookstores which for legal or other reasons cannot be excluded from commercial areas, but which unless adequately controlled can be particularly disruptive to neighborhood tranquility.

POLICY 4

MAINTAIN A PRESUMPTION AGAINST THE ESTABLISHMENT OF MAJOR NEW COMMERCIAL DEVELOPMENT EXCEPT IN CONJUNCTION WITH ADEQUATELY SUPPORTIVE RESIDENTIAL DEVELOPMENT AND PUBLIC/PRIVATE TRANSPORTATION CAPACITY.

Economic growth exhibited in any given commercial area, when viewed from a citywide or regional perspective may not represent "real" or absolute growth but rather a relocation of economic activity from another commercial area which is experiencing decline. "Real" growth of retail activity requires an actual increase in expenditures which is directly linked to increases in disposable personal income. Because there are opportunities for business expansion within existing commercial areas, major new commercial development should be discouraged unless a significant new market is being created to support the proposed development.

Sandwiches

	Pastrami	1 50
M E A T	Corned Beef	1 50
	Roast Beef	1 50
	Ham	1 50
	Italian Salami	50
F O W L	Turkey	1 50
	Chicken	1 40
S A L A D	Chicken Salad	1 35
	Egg " "	1 25
	Tuna " "	1 35
N A T U R A L	Avocado & Bacon	1 50
	" & Turkey	1 50
	" & Tuna	1 40
	" & Cream Cheese	1 40



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POLICY 5

ENCOURAGE COMMUNITY-BASED ECONOMIC DEVELOPMENT.

Community development corporations can with the proper leadership and direction, provide a useful vehicle for community ownership of local business enterprises providing employment to community residents or can be spent for needed community services. Encouragement and assistance should be given to organizations having the potential of successfully carrying out local economic development projects.

GOVERNMENT, HEALTH AND EDUCATION SERVICES

OBJECTIVE 9

ENHANCE SAN FRANCISCO'S POSITION AS A NATIONAL AND REGIONAL CENTER FOR GOVERNMENTAL, HEALTH, AND EDUCATIONAL SERVICES.

San Francisco has long been recognized as a regional center for governmental, educational, and health services. As the Bay Area population outside San Francisco has required additional governmental and educational services, San Francisco's relative share of regional employment growth in this sector has diminished somewhat. However, San Francisco retains its preeminence as a regional center for state and federal governmental functions and for medical services. These services are projected to be among the fastest growing employment sectors of the San Francisco economy in future years. New employment opportunities are expected to be available at all occupational levels, from highly skilled professional positions to semi-skilled service positions due to improved technology and expanded federal funding.

During the last decade the delivery capability of medical services has increased significantly. Newly emerging medical centers and clinics have clustered around hospital facilities which are expanding themselves. Educational institutions located in residential areas have also experienced significant growth in recent years in response to changing social and educational values of contemporary students. As the institutions expanded curricula and physical facilities to accommodate larger enrollments and changing educational demands, adjacent residential areas in the city have begun to feel the impact of more intensely utilized school sites.

Because governmental, health and educational services provide valuable services to residents and constitute a significant share of employment opportunities to local residents, it is important to preserve the vitality of this sector. However, future growth must be managed to achieve equitable distribution of benefits to all geographical and cultural sub-populations of the city and to minimize associated adverse effects on surrounding areas.

POLICY 1

PROMOTE SAN FRANCISCO, PARTICULARLY THE CIVIC CENTER, AS A LOCATION FOR LOCAL, REGIONAL, STATE AND FEDERAL GOVERNMENTAL FUNCTIONS.

In a manner similar to other economic functions such as office uses and institutions, physical proximity of various governmental activities is important to the efficient functioning of daily activities of related agencies. The city should strengthen the locational advantages of this clustering of governmental services by insuring provision of an adequate amount of space in the Civic Center area to serve this function without endangering surrounding residential areas.

Governmental activities also serve as an important resource for employment opportunities, particularly for men and women with entry level clerical skills. Individuals working for governmental agencies in and around the Civic Center can avail themselves of excellent transit service to the Center, lessening the need to utilize automobiles. The Civic Center is also near areas of high unemployment.

POLICY 2

ENCOURAGE THE EXTENSION OF NEEDED HEALTH AND EDUCATIONAL SERVICES, BUT MANAGE EXPANSION TO AVOID OR MINIMIZE DISRUPTION OF ADJACENT RESIDENTIAL AREAS.

The continued, controlled expansion of educational and medical institutions is important to the city in the provision of valuable and needed services to residents and employment opportunities. Medical care and hospitals are important in neighborhoods which would otherwise be relatively isolated from treatment facilities. Evening and adult schools provide possibilities for working individuals to extend their vocational or casual interests. These institutions also provide extensive employment opportunities and training opportunities. Institutional growth is also anticipated to create many new jobs for residents in areas of the city other than downtown.

The expansion needs of institutions often conflict with efforts to preserve and protect the scale and character of residential neighborhoods. Large educational and medical institutions attract people from outside a neighborhood, aggravating traffic and parking problems. Institutional buildings tend to be larger in scale and more intensely used than residential buildings which often surround them. In addition, institutional expansion often requires removal of housing and displacement of residents.

To minimize the disruption caused by institutional expansion, the city should continue its policy of reviewing expansion plans. This review examines the needs of adjacent resident areas for housing, on-street parking and safe, quiet streets as well as the needs of the institution. Educational and medical institutions are required to develop and submit master plans to the city prior to any specific expansion request. Such master plans define long-term and short-range development plans of the institution. The early review of institutional development plans will permit exploration of alternate ways to address the needs of the institution in order to minimize potential conflicts with the residential area.

POLICY 3

PROMOTE THE PROVISION OF ADEQUATE HEALTH AND EDUCATIONAL SERVICES TO ALL GEOGRAPHICAL DISTRICTS AND CULTURAL GROUPS IN THE CITY.

San Francisco has a well developed public health care delivery system with well staffed and equipped public and private hospitals. Unfortunately, the clustering of many of these major facilities in relatively few areas creates problems in the adjacent residential neighborhoods. This clustering also serves to limit access of residents in other parts of the City to the health care and employment opportunities which these large institutions offer.

Similar distribution and accessibility problems exist with respect to educational and job training institutions.

The city should actively encourage the decentralization of major institutional facilities to other areas of San Francisco, particularly those presently without adequate services. Vacated school sites and facilities should be examined as a potential expansion resource. There also exist areas of underutilized land in the city in which the physical impact of institutional development would be acceptable and might even provide the necessary impetus for desired new community development.



VISITOR TRADE

OBJECTIVE 10

ENHANCE SAN FRANCISCO'S POSITION AS A NATIONAL CENTER FOR CONVENTIONS AND VISITOR TRADE.

Recognition of San Francisco as a center for tourism and visitor trade extends throughout California, the United States, and the world. The city serves as a major West Coast destination for travelers who come to enjoy sightseeing, to attend national conventions, or to complete business transactions.

Visitor trade constitutes an important economic base for San Francisco and is responsible for employing, directly and indirectly, more residents than any other economic sector. It generates substantial revenues in many related economic areas including transportation, general merchandising, eating and drinking places, food stores, other retail trade, motor vehicles and service stations, personal services, and entertainment and recreation. By far the largest expense for visitors is hotels or motels, followed by restaurants and retail sales.

Such spending is important, for it stems from sources outside the Bay Area, and thus provides a substantial input of new dollars to the local economy. The expenditure of these new dollars in the local economy has a powerful effect in generating additional spending by local merchants and, in turn, generates higher personal incomes for resident owners and employees of visitor trade facilities. Tourist demand also has the effect of expanding the availability and selection of local goods and services.

In addition to providing the city with added revenues, visitor trade provides significant employment opportunities to San Francisco residents in the service occupations. Many of these jobs can be filled by low and semi-skilled workers who may have limited employability in other employment sectors.

While the economic benefits of visitor trade are felt in the employment and earnings sectors of the economy, certain adverse impacts are also related to tourism. Among these are added density and congestion in some parts of the city; strains on parking, mass transit, and other important municipal services. The most obvious negative aspect of increased tourist activity is increased pedestrian and vehicle congestion at points of interest. This not only reduces local residents' ability to enjoy the event, but may ultimately limit the attractiveness to out-of-town visitors. If congestion spills over into the surrounding residential or commercial business areas, the mobility in and quality of these areas is impaired. Also, in certain commercial areas, efforts to cater to visitors' tastes have altered the mix of goods and services offered to the extent that local demands are no longer met. In instances, the quality of merchandise and services has also declined. There are, therefore, a number of tourism related impacts that may negate the economic and employment benefits of tourism.

POLICY 1

GUIDE THE LOCATION OF ADDITIONAL TOURIST RELATED ACTIVITIES TO MINIMIZE THEIR ADVERSE IMPACTS ON EXISTING RESIDENTIAL, COMMERCIAL, AND INDUSTRIAL ACTIVITIES.

While growth in tourism provides San Francisco with economic and employment benefits, unchecked expansion of the tourist industry can have negative implications for the quality of the city's neighborhoods, and for certain sectors of the economy.

It is therefore important to weigh both the costs and benefits of each specific proposal to expand or promote visitor trade. Activities should be designed and controls should be provided to minimize adverse impacts on surrounding residential, commercial, and industrial activities. The various activities comprising the visitor trade industry naturally tend to locate in geographical proximity to one another just as in other sectors of the economy. This natural tendency should be encouraged for several reasons. San Francisco's attractiveness to the visitor is enhanced by its compact, urban form which allows the visitor to move easily from hotel accommodations and restaurants to convention facilities, sightseeing interest, business appointments, and entertainment. In addition, the geographical proximity of visitor attractions to one another lessens the need for automobile or transit trips, and provides the least additional strain on the city's public transportation system. Finally, the location of visitor related activities within established activity areas may reduce the potential for tourism's negatively associated impacts upon the quality of the city's residential neighborhoods.

Therefore, the city should encourage additional visitor oriented facilities to locate in those areas where visitor attractions and business and convention facilities are at the present time primarily concentrated.

POLICY 2

SUPPORT LOCALLY INITIATED EFFORTS TO IMPROVE THE VISITOR TRADE APPEAL OF NEIGHBORHOOD COMMERCIAL DISTRICTS.

Encouraging greater use of neighborhood commercial districts by visitors can be an effective way of providing economic stimulus to such areas and of spreading the benefits as well as impacts of tourism. Care must be taken, however, to avoid situations where the tourist appeal drives out neighborhood services and creates major problems for adjacent residential areas.

POLICY 3

ASSURE THAT AREAS OF PARTICULAR VISITOR ATTRACTION ARE PROVIDED WITH ADEQUATE PUBLIC SERVICES FOR BOTH RESIDENTS AND VISITORS.

Public services such as transit, and visitor information, benches and restrooms, as well as police, fire, and street cleaning, are especially important at areas of particular visitor attraction. Provision of high quality services is one direct method the city can employ to promote visitor trade in San Francisco. Where appropriate, additional public facilities designed to serve expanding visitor trade should be provided. The anticipated development of the Exhibit Hall in Yerba Buena Center will greatly increase the impact of visitors and conventioners within the downtown area. Care should be taken to assure this increased activity is adequately accommodated with existing and planned public service systems.



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THE COMPREHENSIVE PLAN

CITY & COUNTY OF SAN FRANCISCO